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**BEFORE THE ARIZONA CORPORATION COMMISSION**

Arizona Corporation Commission

**DOCKETED**

JAN 31 2002

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ARIZONA CORPORATION COMMISSION  
FILE CONTROL

WILLIAM A. MUNDELL  
CHAIRMAN  
JIM IRVIN  
COMMISSIONER  
MARC SPITZER  
COMMISSIONER

DOCKETED BY

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IN THE MATTER OF THE APPLICATION OF ST.  
DAVID WATER ASSOCIATE FOR A  
PERMANENT RATE INCREASE.

DOCKET NO. W-02084A-01-0389

IN THE MATTER OF THE APPLICATION OF ST.  
DAVID WATER ASSOCIATION FOR  
FINANCING APPROVAL.

DOCKET NO. W-02084A-01-0636

**PROCEDURAL ORDER**

**BY THE COMMISSION:**

On May 7, 2001, St. David Water Association ("St. David", "Association" or "Applicant") filed with the Arizona Corporation Commission ("Commission") a rate application for a permanent rate increase. On August 3, 2001, Applicant filed an application requesting financing approval. Pursuant to the Applicant's request for a hearing, by Procedural Order dated November 6, 2001, the matters were set for a hearing on January 3, 2002.

By letter docketed November 29, 2001, Applicant requested that its request for a rate increase and for approval of financing be withdrawn. By Procedural Order dated December 19, 2001, the request to withdraw was denied on the grounds the Commission had concerns that the Company's rates are sufficient to assure its financial viability. The December 19, 2001, Procedural Order rescheduled the hearing for January 31, 2002.

On January 14, 2002, St. David requested a 45-day continuance because the Company is in the process of gathering signatures to form a domestic water improvement district. The Company expects to have a decision creating the district from the County Board of Supervisors within 45 days of the date of the current hearing date.

Commission Utilities Division Staff does not oppose the continuance.

The requested continuance is reasonable under the circumstances.

IT IS THEREFORE ORDERED that St. David Water Association shall file notice no later

1 than March 18, 2001, informing the Commission whether or not the creation of the domestic water  
2 improvement district has been approved.

3 IT IS FURTHER ORDERED that in the event the creation of the domestic water  
4 improvement district is approved, the Association will file an application for approval of the transfer  
5 of assets from the Association to the District as soon as possible.

6 IT IS FURTHER ORDERED that in the event the application to form a domestic water  
7 improvement is not approved or it appears that the district will not be formed for any reason, the  
8 hearing in the above-captioned matter shall commence on April 11, 2002 at 10:00 a.m., or as soon  
9 thereafter as is practical, at the Commission's offices in Tucson, Room 222, 400 West Congress  
10 Street, Tucson, Arizona.

11 IT IS FURTHER ORDERED that the following procedures shall govern this matter in the  
12 event the Commission does not receive notice by March 18, 2002 that the Commission will be  
13 formed.

14 IT IS FURTHER ORDERED that any of Applicant's rebuttal evidence and exhibits to be  
15 presented at hearing on behalf of Applicant and not previously filed with the applications shall be  
16 reduced to writing and filed on or before March 25, 2002.

17 IT IS FURTHER ORDERED that any surrebuttal evidence and associated exhibits to be  
18 presented by the Staff shall be reduced to writing and filed on or before April 6, 2002.

19 IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105,  
20 except that all motions to intervene must be filed on or before April 10, 2002.

21 IT IS FURTHER ORDERED that the Applicant shall provide public notice of the hearing in  
22 this matter, in the following form and style:

23  
24 **PUBLIC NOTICE OF HEARING ON THE**  
**RATE AND FINANCING APPLICATIONS OF**  
25 **ST DAVID WATER ASSOCIATION**

26 On May 7, 2001 and on August 3, 2001, St. David Water Association  
27 ("Company") filed applications with the Arizona Corporation Commission for a 31  
28 percent increase in water rates, and for financing approval, respectively. The actual  
percentage rate increase for individual customers will vary depending upon the type and  
quantity of service provided. Copies of the Company's applications and proposed tariffs  
are available at their offices and the Commission's offices for public inspection during

regular business hours.

The Commission will hold a hearing on this matter beginning April 11, 2002 at 10:00 a.m. at the Commission's offices, Room 222, 400 West Congress, Tucson, Arizona. Public comments will be taken at the outset of the hearing.

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Intervention shall be permitted to any person entitled by law to intervene and having a direct and substantial interest in the matter. Persons desiring to intervene must file a written motion to intervene with the Commission, which motion should be sent to the Companies or their counsel and to all parties or record, and which, at the minimum, shall contain the following:

1. The name, address, and telephone number of the proposed intervenor and of any party upon whom service of documents is to be made if different than the intervenor.
2. A short statement of the proposed intervenor's interest in the proceeding (e.g., a customer of one of the Companies, a shareholder of one of the Companies, etc.).
3. A statement certifying that a copy of the motion to intervene has been mailed to the Companies or their counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before April 10, 2002. The granting of intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any customer from appearing at the hearing and making a statement on such customer's own behalf.

If you have any questions or concerns about this application or have any objections to its approval, or wish to make a statement in support of it, you may write the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, Arizona 85007 or call 1-800-222-7000 or appear at the hearing and make comment.

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting Shelly Hood, ADA Coordinator, voice phone number 602/542-0838, E-mail [shood@cc.state.az.us](mailto:shood@cc.state.az.us). Requests should be made as early as possible to allow time to arrange the accommodation.

IT IS FURTHER ORDERED that in the event the application to form a domestic water improvement district is not approved the Applicant shall mail to each of its customers a copy of the above notice by March 29, 2002.

IT IS FURTHER ORDERED that the Applicant shall file certification of mailing as soon as practicable after the mailing has been completed.

IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing of same,

1 notwithstanding the failure of an individual customer to read or receive the notice.

2 IT IS FURTHER ORDERED that the circumstances of this case, including the Association's  
3 requests to withdraw the application and for a continuance constitute an extraordinary event and  
4 warrant suspending the time clock rule pursuant to A.A.C. R14-2-103.B.11.e.

5 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive  
6 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

7 DATED this 22nd day of January, 2002.

8  
9   
JANE L. RODDA  
ADMINISTRATIVE LAW JUDGE  
10  
11

12 Copies of the foregoing mailed/delivered  
13 this 22nd day of January, 2002 to:

14 Reg Garavito, Board President  
15 Fred Kartchner, Operations Manager  
16 St. David Water Association  
17 112 W. Patton Street  
18 St. David, AZ 85630

19 Christopher Kempley, Chief Counsel  
20 Legal Division  
21 ARIZONA CORPORATION COMMISSION  
22 1200 West Washington Street  
23 Phoenix, AZ 85007

24 Ernest G. Johnson, Director  
25 Utilities Division  
26 ARIZONA CORPORATION COMMISSION  
27 1200 West Washington Street  
28 Phoenix, Arizona 85007

29 ARIZONA REPORTING SERVICE, INC.  
30 2627 N. Third Street, Suite Three  
31 Phoenix, Arizona 85004-1104

32 By: 

Juanita Gomez  
Secretary to Jane L. Rodda